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File



Registered Office
TORONTO - ONTARIO

CANADA MALTING CO. LIMITED



REPORT TO SHAREHOLDERS

Malthouses and Elevators

Montreal, Que.

Winnipeg, Man.

Toronto, Ont.

Calgary, Alta.

Thunder Bay, Ont.

For the Six Months
ended June 30, 1979

CANADA MALTING CO. LIMITED

TO OUR SHAREHOLDERS:

Consolidated earnings for the six months ended June 30, 1979 were \$2,566,325 or \$2.95 per share, compared to \$2,595,758 or \$2.99 per share for the same period last year.

Shipments of malt to our domestic and export customers were higher this year than last, but increased revenues did not offset a rise in costs.

First half profits of Leaver Mushrooms Co. Limited show improvement from last year, but are not yet at a satisfactory level.

Work has begun on construction of the new Montreal plant. Completion is scheduled for late 1980.

On behalf of the Board,

C.F. Edwards
President and
Chief Executive Officer.

TORONTO, Ontario
August 1, 1979.

Consolidated Earnings for the Six Months ended June 30 (unaudited)

	1979	1978
Net sales	\$61,789,391	\$54,171,154
Costs and expenses:		
Cost of products sold and all expenses		
except items shown below.	55,913,435	48,117,407
Interest on long term debt.	20,000	24,000
Bank and other interest	191,590	356,785
Property rentals	303,894	297,064
Provision for depreciation.	1,167,763	1,118,040
Provision for income taxes	1,626,384	1,662,100
	<u>59,223,066</u>	<u>51,575,396</u>
Net earnings for the period	<u>\$ 2,566,325</u>	<u>\$ 2,595,758</u>
Net earnings per share	<u>\$ 2.95</u>	<u>\$ 2.99</u>

Consolidated Statement of Changes in Financial Position for the Six Months ended June 30

	1979	1978
Source of working capital:		
Net earnings	\$ 2,566,325	\$ 2,595,758
Non-cash charges deducted in arriving at earnings—		
Provision for depreciation.	1,167,763	1,118,040
Deferred income taxes	95,000	40,000
Amortization of prepaid rent.	250,413	250,413
Funds provided from operations.	4,079,501	4,004,211
Shares issued under employees' stock option plan	27,627	17,378
	<u>4,107,128</u>	<u>4,021,589</u>
Use of working capital:		
Additions to fixed assets.	1,136,771	1,356,036
Dividends on common shares.	783,903	694,370
	<u>1,920,674</u>	<u>2,050,406</u>
Resulting in an increase in working capital of	2,186,454	1,971,183
Working capital at January 1	29,209,940	24,375,740
Working capital at June 30	<u>\$31,396,394</u>	<u>\$26,346,923</u>